PROVINCE OF SASKATCHEWAN

11-12

ANNUAL REPORT

INFORMATION
TECHNOLOGY OFFICE

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Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield,
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Information Technology Office (ITO) for the fiscal year ending March 31, 2012.

The Government of Saskatchewan has worked hard to honour its commitments to the people of Saskatchewan, including increased transparency and accountability in all aspects of financial reporting. It has also managed the expenditure of taxpayers' dollars responsibly, delivering balanced budgets while making prudent investments in infrastructure and innovation that have built upon the Saskatchewan Advantage.

The Information Technology Office played an important role in advancing the government's goals of economic growth, security and fulfilling promises in 2011-12. Working in partnership with the private sector, the ITO helped to make government service delivery more effective and efficient, enabling ministries to provide affordable and quality programs to Saskatchewan people and businesses.

The election of 2011 provided a renewed mandate to the government to continue capitalizing on Saskatchewan's advantages to create a better quality of life and more opportunities for all citizens of Saskatchewan. Annual reports are an important tool for not only informing the public of the success of those efforts, but ensuring government remains accountable for its promises and actions.

With respect,

Nancy Heppner
Minister of Central Services
Responsible for Information Technology Office

Letters of Transmittal

The Honourable Nancy Heppner
Minister of Central Services

Dear Minister:

I have the honour of submitting the Annual Report of the Information Technology Office (ITO) for the fiscal year ending March 31, 2012.

I'm pleased to report the ITO made significant progress in advancing all of its goals in 2011-12. Important steps were taken to implement enterprise-wide standards and technologies that will improve the efficiency and effectiveness of government information technology operations. Further action was also taken to strengthen collaboration and make it easier for the private sector to be partners with the ITO in providing suitable technologies that enable the delivery of quality, cost-effective IT services for all executive government ministries.

As Deputy Minister, I am responsible for the overall management and integrity of the financial administration of the ITO and take the organization's commitment to public accountability very seriously. Measures have been taken to strengthen the usability and reliability of the information in this annual report, such as the inclusion of more comparative data. The information reflects the best judgment of the leaders of the organization and I believe the people of Saskatchewan can be confident that the ITO operates in the best traditions of accountability and honesty.

Respectfully,

Ron Dedman
Deputy Minister of Central Services

Introduction

This annual report for the Information Technology Office (ITO) presents results on activities and outcomes for the fiscal year ending March 31, 2012. It reports to the public and elected officials on public commitments made and other key accomplishments of the ITO.

Although a renewed vision and set of goals were introduced as a result of the 2011 provincial election, the 2011-12 Annual Report will be presented in relation to the vision and goals that guided the development of the 2011-12 Plan.

Results are provided on publicly-committed strategies, actions and performance measures identified in the 2011-12 Plan.

The report also demonstrates progress made on Government commitments as stated in the Government Direction for 2011-12: The Saskatchewan Advantage, the Minister's Mandate letter, throne speeches, and other commitments and activities of the ministry.

The annual report demonstrates the ministry's commitment to effective public performance reporting, transparency and accountability to the public. It also provides a roadmap to the public of the work being done by the ministry to help the government achieve its goals and aspirations for the people of Saskatchewan.

Alignment with Government's Direction

The Ministry's activities in 2011-12 align with Government's vision and three goals:

Our Government's Vision

A secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing a high quality of life for all.

Government's Goals

- **Sustain economic growth** for the benefit of Saskatchewan people, efvnsuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.
- **Secure Saskatchewan** as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.
- **Keep Government's promises** and fulfill the commitments of the election, operating with integrity and transparency, accountable to the people of Saskatchewan.

Together, all ministries and agencies support the achievement of Government's three goals and work towards a secure and prosperous Saskatchewan.

The Information Technology Office contributed to those goals by providing suitable technologies and enterprise IT services that enabled all ministries to deliver quality, affordable programs and services to Saskatchewan people and businesses. The ITO's main focus in the reporting year centered on activities and initiatives aimed at the third Government goal of keeping promises and fulfilling its commitments to the people of Saskatchewan.

Ministry Overview

The Information Technology Office (ITO) enables ministries and agencies to deliver quality, efficient and effective services to the citizens of Saskatchewan by:

- providing a range of centralized IT services;
- overseeing IT policies, standards and architecture; and
- promoting inter-ministerial collaboration and shared services.

The ITO's vision is to achieve excellence in IT service delivery.

The ITO's mandate is to provide responsive and value-added services to partner ministries and agencies. The ITO does so by bringing an enterprise focus to the delivery of information technology services and IT-based business solutions that enable efficiency and effectiveness of government programs and services. The ITO also ensures the protection and privacy of citizen, business and government information by establishing and implementing government-wide information technology/information management security solutions.

Over 12,000 Government of Saskatchewan employees in 31 ministries and agencies receive IT services from the ITO. These services include:

- management of technology systems with approximately 1,500 applications in total, 500 of which are critical to government program and service delivery;
- data storage and network facilities that provide real-time scalability in data storage requirements and network uptime reliability. This year the network was available 99.95 per cent, or all but 52 minutes. This was an improvement of over two hours from 2010-11;
- monitoring and improving data and network security. The ITO protects government IT assets from unauthorized access from approximately 45,000 end points;
- handling over 72 million e-mails each year (200,000 per day) and preventing more than 160,000 (or four out of five) e-mails containing spam or malicious content from getting to the end user;
- procurement and supply of IT hardware and software assets to match the business needs of ITO's customers. The ITO currently has over 45,000 electronic assets within its care;
- enterprise architecture, which undertakes to transform business vision and strategy into a technological roadmap to enable IT's future state; and
- help desk and customer support to address customer needs with over 127,000 inquiries in 2011-12.

During 2011-12, the ITO continued to focus on delivering exceptional services to its partner ministries and agencies. Under the Service Excellence Development Program, all ITO employees received training in providing excellent customer service, whether internal to government or the public. Training will continue to be supplied to new hires of the ITO and initiatives will be undertaken in 2012-13 to embed and sustain a culture of customer service excellence throughout the organization.

In addition, the ITO continued to modernize its IT infrastructure by improving its data storage and network infrastructure to meet the increased demand for these services. To improve services, the ITO will continue with the standardization of servers, operating systems, and hardware and software across government to further develop the Common Computing Environment (CCE).

The ITO's efforts to work with its partner ministries and agencies to develop an Enterprise IT Risk Management framework and plan will lay the foundation for government to manage IT risks. This framework will help build workable disaster recovery and business continuity plans for all government ministries.

The ITO collaborates with ministries on major IT transformation projects that serve to modernize IT applications and service delivery to citizens. In 2011-12, the ITO

(continued)

Ministry Overview

provided strategic and technical advice on three transformational IT projects:

- **Process Renewal and Infrastructure Management Enhancements (PRIME)** – Led by the Ministry of Energy and Resources, this multi-year program will renew the business processes and applications that support oil and gas activities in the province;
- **Criminal Justice Information Management System (CJIMS)** – A three-way partnership between the Ministries of Corrections, Public Safety and Policing (CPSP),Justice and Attorney General (JU) and the ITO to replace four applications systems that support the operation of the criminal justice system in Saskatchewan; and
- **LINKIN** – Led by the Ministry of Social Services, LINKIN is an electronic case management system designed to keep track of children in care of the Ministry of Social Services. LINKIN replaces the previous paper-based system and enhances services provided by the province's Child and Family Services Division, which works to protect children from abuse and neglect.

The ITO's focus on continuous improvement provided for a number of process improvements that enabled the ITO to improve services to its customers. Under the Service Management Transformation Program, the ITO conducted process reviews of eight of its 18 service management processes and conducted a lean initiative within the Supply Chain Management division.

As of March 31, 2012, the ITO had 263.4 full-time equivalent (FTE) positions. The ITO provides services throughout the province, in locations such as La Ronge, Prince Albert, Swift Current, Meadow Lake, Yorkton, North Battleford, Saskatoon and Regina.

The ITO operates under the direction of six main branches. These branches include Application Management Services, Chief Technology Office, Corporate Services, Customer Services, Operations, and Supply Chain Management. An executive level organizational chart is available in Appendix C.

Progress in 2011-12

Government Goal: Keeping Promises

The ITO supports the Government goals of Growth, Security and Keeping Promises, and its work in 2011-12 aligned predominantly with the Government's goal of keeping promises and fulfilling the commitments of the election, operating with integrity and transparency, and being accountable to the people of Saskatchewan.

Strategy – Create a Culture of Customer Service

Key Actions & Results

- Provide Service Excellence training to all ITO employees to ensure a culture of customer service is adopted across all levels of the organization.
    - Arranged for all ITO staff, including consultants and executive members, to participate in a three-day foundational training course called the *Service Excellence Development Program*.
    - Service excellence is being ingrained as a core competency for all ITO employees, and employees are being given the tools and knowledge they need to provide superior service to both internal and external customers.
- Integrated service excellence objectives and competencies into staff work and learning or performance plans.
- Conduct regular surveys to assess customer satisfaction with ITO services and identify areas for improvement.
    - Continued to use Conditions of Satisfaction (COS) Cards to establish and measure the satisfaction criteria of our customers on projects and specific initiatives.
    - The final year-end analysis shows an overall increase from a baseline measure of 6.1, but a slight decrease from last fiscal year's 7.3 rating to 6.7 in 2011-12. The decrease can be attributed to the unprecedented growth in the number of new IT environments commissioned by the ministries and is expected to be temporary in nature.
    - Implemented several process changes as a direct result of the feedback received, such as improving the invoice authorization process between customers and private sector vendors. Customers now have a better understanding of the value of the COS Card and are more comfortable in providing constructive feedback that helps improve the services provided to them.
    - Created a second customer survey instrument to gauge the day-to-day operational services the ITO provides to customers. With this expanded approach the ITO now has two metrics that can be used to monitor customer satisfaction – projects and operational services. A larger number and wider variety of customers are now being surveyed with further expansion planned for 2012-13. A baseline metric for operational services of 7.1 has now been established. Gauging customer satisfaction with both the ITO's operational and project-related business areas will enable the ITO to strengthen and improve all aspects of its service delivery model. The two metrics will be combined to provide an overall customer satisfaction measure on a yearly basis.
- Continue to provide reliable and responsive services to all customers.
    - Implemented a comprehensive Key Performance Indicator (KPI) operating system that allows the ITO to monitor and measure the performance of its various units. Performance is measured against both industry standards and other jurisdictions. The information received through KPI data tracking identifies strengths and weaknesses and helps in making informed decisions

(continued)

Progress in 2011-12

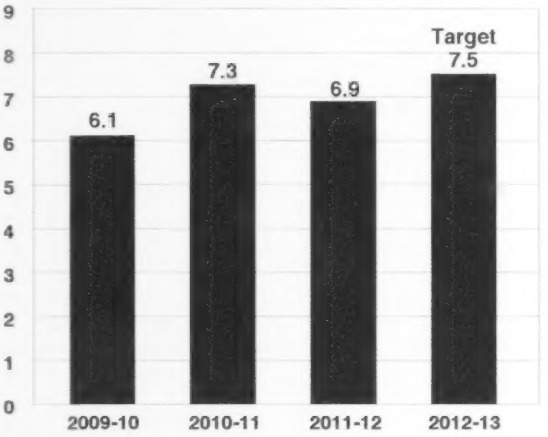
about IT service delivery, including the preparation and allocation of budgets.

- Continued to make improvements, as suggested by our customers, to the ITO Service Catalogue, making it easier for customers to order the services and products they need. Customers can access the catalogue on the ITO Customer Service intranet site.
- Strengthened customer services by fostering a better understanding of the demands of our customers. The ITO has worked to enhance the ministry portfolio teams by including dedicated operations and application directors to help support the needs of the customer ministries. In addition, the operations and applications areas have structured their delivery teams to provide portfolio-based services, which foster a better understanding and focus on the ministries' lines of business and services they provide to Saskatchewan citizens.
- Continued to streamline and make the ITO's invoice and billing process more efficient by introducing annual billing for core services, which are comprised of repeatable monthly IT expenditures such as managed desktop charges, data storage, communications and application hosting. Billing for these services annually reduces the need for generation and reconciliation of these charges on a monthly basis.
- Refined the base customer Memorandum of Understanding (MOU), which replaced the previous Service Level Agreements (SLAs) with ministries. The MOUs clearly outline the services the ITO provides and the service expectations of its customers. Completion of all MOUs is targeted for 2013-14.
- Amended *The Information Technology Office Service Regulations* to authorize the ITO to provide specific IT services to the Crown Investments Corporation and the Saskatchewan Liquor and Gaming Authority.
- Managed the government's E-Learning portal that is available to more than 12,000 executive government employees. The portal offers training on software programs so that users can better understand the functionality of the various applications. The initiative is a value-added part of the enterprise software licensing agreement negotiated and administered by the ITO, and is provided at no additional cost to customer ministries and agencies. All training is available online on the ITO Customer Service intranet site.
- Coordinated government responses to over 3,000 public requests for information and services received through the main government web portal, the first point of contact for many individuals and businesses.

Performance Measure & Results

Customer Satisfaction

Customer Satisfaction Level Indicator



Source: ITO Internal Data

For 2011-12, the ITO set its customer satisfaction target based on measuring customer satisfaction with project-specific work only. During the year, the ITO determined that customer satisfaction with day-to-day operational activities required measuring to further refine ITO's customer

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satisfaction index. As a result, a new baseline measurement has been created.

This new measure relates to how service is perceived by the customer ministries and measures the ITO's success in creating and embedding a culture of service excellence. It helps the ITO to respond and make improvements to sevices according to the needs and requirements of our customers.

During 2011-12, the ITO was able to achieve an operational service satisfaction level of 7.1 and a project-specific level of 6.7. The combined project and operational customer satisfaction level for the reporting year was 6.9. This combined metric will be used to measure future overall customer satisfaction levels. The move to this dual measurement will also affect any customer satisfaction estimates published prior to the tabling of this annual report. The combined target for 2012-13 is 7.5.

Performance Measure & Results

ITO Yearly Service Desk Requests

Type of Request	*2009-10*	*2010-11*	*2011-12*
New hardware, software, network access, etc.	35,687	27,862	35,861
Troubleshooting	67,075	60,681	68,381
Inquiry questions	9,988	9,036	8,165
Total of all requests	**112,750**	**97,579**	**112,357**

Source: ITO Internal Data

This table outlines the volume and types of service requests the ITO Service Desk received from ministry and agency customers for the past three fiscal years. On average, the ITO receives over 400 service requests a day.

The ITO regularly measures its performance in operational areas (such as service desk requests) against industry standards and has consistently met or exceeded the performance of comparable operations in other jurisdictions.

Strategy – Protect the Security and Privacy of Data Entrusted to Government's Care

Key Actions & Results

- Strengthen enterprise security programs and architecture along with a multi-year implementation roadmap.
    - Conducted a security assessment of the Government of Saskatchewan IT environment. Findings and recommendations from the assessment were used to develop short-term and long-term initiatives focusing on security-related improvements. Development of a three to five-year IT security vision and planning of multi-phase projects is underway. The projects will address immediate concerns identified within the current environment and provide additional security capabilities over the long-term.
    - Conducted 48 security reviews as part of the ITO's internal and external IT project assessments.

(Minister's 2010 Mandate Letter)

- Perform risk assessments of key ministries to ensure those ministries have a firm understanding of their IT risks and a comprehensive plan to manage those risks.
    - Initiated an Enterprise Risk Management (ERM) project to determine the nature and severity of the government's IT risks.
    - Collaborated with a private sector partner to develop an ERM framework, policies, governance model, and templates to establish IT ERM standards for customer ministries.
    - Led an assessment and development of IT risk registers for four pilot ministries and ensured alignment with one ministry that was currently conducting a ministry-wide IT risk assessment.

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Progress in 2011-12

- Applied the ERM process to the ITO's own operations and developed a comprehensive risk register.

- Establish a second data centre within the province to enhance government's disaster recovery capabilities.
  - Disaster recovery capabilities currently exist for government, however, planning is underway to establish a secondary site within the province to provide higher availability and improved recovery time as a multi-year initiative.

- Completed phase one of the Active Directory Enhancement Project. Phase one provided an assessment of current staff roles and responsibilities, refinement of procedures to establish operational and monitoring best-practices, and development of a test lab environment where changes to the Active Directory structure can be tested prior to implementation. Phase two of the project will begin in 2012-13 and will focus on remediation activities.

- Assisted in organizing a Privacy and Security Awareness Expo that was aimed at helping all government organizations and employees know their roles and the importance of keeping citizen information private and secure.

- Cooperated in an audit of the ITO's data centre and security processes, which is conducted annually by the Provincial Auditor's office.

Performance Measure & Results

Government E-mail Traffic

Approximate Daily (average) Internet-based E-mail Traffic on ITO Networks

Request	*Total*
Blocked or Rejected (spam, virus, etc.)	161,000
Allowed	37,000
Daily Average Total	**198,000**

Source: ITO Internal Data

** In addition to Internet-based e-mail traffic, the ITO network handles internal e-mail traffic plus voice traffic on its Voice over Internet Protocol system.*

The ITO utilizes an extensive system of security-related IT infrastructure to protect government systems and information from spam and deliberate attacks from viruses and malware. Most of these are received by e-mail. Despite more than 80 per cent of the 72 million e-mails received during the fiscal year being classified as spam, viruses or other suspicious e-mails, the ITO network experienced zero per cent downtime as a result of Internet-based e-mail attacks.

Strategy – Employ Suitable Technologies that Enable the Delivery of Quality IT Operations and Services

Key Actions & Results

- Establish and mandate enterprise architecture standards to guide the development and operation of all IT systems.
  - Developed and implemented enterprise architecture governance models. An enterprise architecture repository was created as part of the work and populated with architecture guiding principles and IT standards.
  - Enhanced initiative-level technical architecture compliance processes that will provide more complete reviews of projects and solutions for compliance to the overall enterprise technical approach. This process drives cost savings and technology convergence while maintaining or increasing the quality of IT services.
  - Developed lightweight, initiative-level, technical architecture compliance processes that are more efficient for reviewing simpler, smaller projects and solutions.

(continued)

Progress in 2011-12

- Establish a Common Computing Environment (CCE) to improve the efficiency and effectiveness of Government of Saskatchewan IT operations.
    - Continued to enhance the CCE that was established in 2010-11. It is now the preferred hosting environment for all executive government business applications. Applications being deployed into the CCE benefit from improved performance and availability, and lower operational and support costs.
    - Identified business applications running on older server and storage technologies and estimated the effort to migrate them to the CCE. Modernization and migration activities are currently underway for a few critical applications. Server and technology consolidation activities are also underway that will continue to optimize technology assets in the CCE.

(Minister's 2010 Mandate Letter)

- Migrate risky ministry applications from outdated servers to the new Common Computing Environment.
    - Began the work of identifying, planning and migrating a number of risky applications to modern technologies available in the CCE. This crucial task is one of the key goals of the Applications Portfolio Management (APM) initiative that will result in a major modernization of the government applications portfolio and operations, which will lead to more secure and stable IT services. A number of steps will be taken in 2012-13 to advance this initiative.
- Work to modernize and re-platform government mission-critical applications to ensure customer ministries can continue to provide quality services to citizens and business. costs.
    - Continued with gathering and consolidating the applications inventory under the APM initiative, identifying approximately 1,500 applications across government ministries. The objectives of modernizing and rationalizing applications are to:
        - stabilize services to ministries by minimizing risk and providing consistent delivery to ensure supportability of the applications;
        - modernize and reduce redundant applications, lowering the cost of ownership; and
        - converge and simplify the technology platform, ensuring the availability of the necessary skills.

Strategy – Work in Partnership with the IT Sector to Provide Reliable and Innovative IT Service

Key Actions & Results

- Complete the transfer of government data centre services and management to our private sector partners to ensure more reliable and efficient IT services.
    - Completed transitioning of all data centre services to the ITO's private sector partners in 2011-12 as planned.
- Work with our private sector partner to further upgrade government network wiring to ensure more reliable service and less network downtime.
    - Refreshed network infrastructure in 177 regional offices of customer ministries throughout the province. Work done included:
        - removal of more than 400 outdated network devices;
        - installation of more than 350 new network devices;
        - configuration of nearly 9,000 switch ports;
        - installation of more than 8,000 patch cables; along with

(continued)

Progress in 2011-12

- installation of numerous network racks, refurbishing of numerous copper and fibre cables, and installation of numerous network connections.

◦ Completed a remote network optimization study that will guide future upgrades to government IT networks.

(Minister's 2010 Mandate Letter)

- Continued capitalizing on the expertise and innovation of private sector firms to augment IT-based programs and services to the public. This included:
  - ◦ Developing a new system (LINKIN) for tracking Ministry of Social Services clients;
  - ◦ Enabling permits used by the Ministry of Environment under its Results-based Regulatory (RBR) Information Management System to be readily accessible online;
  - ◦ Creating a new system (CJIMS) that will allow the Justice and Corrections systems to better handle increasingly large caseloads;
  - ◦ Redeveloping the oil and gas system (PRIME) used by the Ministry of Energy and Resources, making it easier for energy sector firms to deal with government in areas like royalty and tax information;
  - ◦ Revamping the one client service model system (OCSM) used by the Ministry of Advanced Education, Employment and Immigration to provide services such as student loans and training grants to its post-secondary school clients; and
  - ◦ Renewing the system Crown Land Management System (CLMS) the Ministry of Agriculture uses to manage leases and other Crown land business.
- Engaged a private sector firm to assess the ITO's current database administrator functions and to recommend best-practices that will help stabilize service delivery. The initiative will also help reduce costs while ensuring the ITO can still meet the business requirements of customer ministries. The work being done will ensure a more proactive approach to database management, resulting in fewer outages and service disruptions to ITO customers and the public.
- Refined and improved the IT sourcing strategy to make it easier for the ITO to access private sector innovation and expertise. A key part of the strategy is a Master Resource Agreement, which contains a list of private sector suppliers that have been screened and pre-approved to do contract work for the ITO. The list of firms was expanded from 30 to 53 in the reporting year. The growth and expansion of this agreement is an example of the achievements of the ITO in working with the terms of the New West Partnership (NWP) agreement.

(Minister's 2010 Mandate Letter)

- Sponsored a variety of programs aimed at preparing Saskatchewan youth to become the leaders of tomorrow and encourage them to take an active role in the province's growing IT sector. Activities included:
  - ◦ A $10,000 sponsorship to the University of Regina's Paul J. Hill School of Business team that participated, and placed first, in the annual Jeux du Commerce (JDC) Western student competition;
  - ◦ A $5,000 sponsorship to the Lieutenant Governor's Leadership Forum; and
  - ◦ Sponsorship of the SIAST Palliser Campus Business and Industry Dinner.

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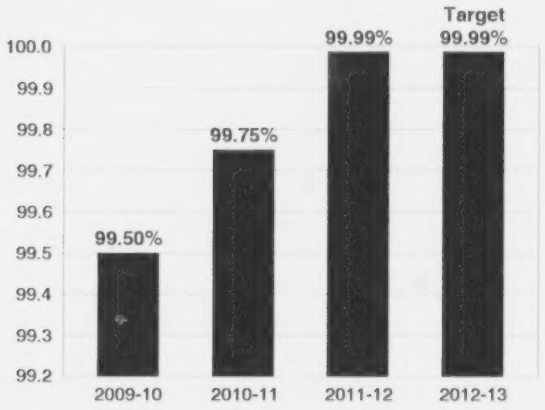
Progress in 2011-12

Performance Measure & Results

Percentage of Network Uptime

Network Availability (during normal business hours)



Source: ITO Internal Data

This measure supports the Ministry's strategy to work in partnership with the IT sector to provide reliable and innovative IT services. A reliable network ensures uninterrupted delivery of programs and services to Saskatchewan citizens. A baseline of 99.5 per cent availability during business hours was established at the start of the 2010-11 fiscal year.

The ITO continues to work with its private sector partner to improve its network infrastructure and sustain the 2011-12 results. Numerous upgrades were made to the network in 177 locations around the province in 2011-12 and a study was conducted that will guide future improvements.

Strategy – Improve the Effectiveness and Efficiency of the Ministry's Programs and Services to Ensure Technology is an Enabler of Government Programs and Services

Key Actions & Results

- Develop IT strategic plans for all ministries to ensure ministry initiatives align with overall government IT strategy.
    - Met with several ministries to outline the services and assistance available from the ITO in strategic planning development. As a result, the ITO collaborated with the Ministry of Finance and Ministry of Agriculture to develop draft IT strategic plans for their ministries.
    - Held meetings with the Ministry of Highways and Infrastructure; Ministry of Corrections, Public Safety and Policing; and Ministry of Tourism, Parks, Culture and Sport regarding IT strategic planning services.
    - Developed a draft strategic plan establishing a new vision, mission and strategic objectives for the ITO. This revised plan will strengthen the alignment of the ITO with government priorities and direction, and help to ensure the ITO is effectively delivering on its mandate.
- Continue using Lean methods to simplify ITO services, including improvements to help desk and client request processes
    - Implemented a Lean-related pilot project to test a new set of service management software tools to potentially replace the aging technology being used as the core management tool for delivering service to ITO customers. The new tool met all requirements and has the potential to improve efficiency and simplify services

(continued)

Progress in 2011-12

provided to customers through both the help desk and client request areas of IT operations.

- Used Lean methodologies to review current processes within the hardware asset area of the Supply Chain Management business unit. The project was very successful with a variety of process improvements implemented. One of the key outcomes was being able to reassign two FTEs to higher value work within the hardware asset team.
- Continued to promote Lean principles throughout the entire ministry with the goal of making process and service improvements part of the ITO's corporate culture, with an emphasis on continuous improvement.

- Establish a Citizen-Centred Service strategy to ensure government services bring the maximum benefit to Saskatchewan citizens
  - Chaired the Citizen-Centred Service Deputy Minister Committee and the Citizen Services Branch provided secretariat support to the committee. Completed a service mapping pilot project with four Government organizations to gain a better understanding of the current service delivery environment and identify short and long-term improvement opportunities. The committee and branch will continue to advance service excellence across government throughout 2012-13. Citizen-Centred Service is about delivering effective, efficient and inclusive services to the citizens of the province.
- Participate in a three-ministry partnership with the ministries of Corrections, Public Safety, and Policing, and Justice and Attorney General on the modernization of the CJIMS.
  - Worked with ministry partners and the private sector to move the CJIMS project into the build phase, where the application will be developed using current technology. The ITO's involvement has helped to reduce the overall cost of the initiative, with work continuing in 2012-13.
- Managed the annual Call for IT Initiatives, which resulted in the Information Management Advisory Council (IMAC) reviewing four new major IT projects and recommending that these projects proceed for funding consideration through the government budget process. IMAC also formalized its health check policy to guide stakeholders in proactively determining when the governance and project management practices of major projects require an independent review to ensure success.
- A third-party health assessment was conducted on a project as directed by IMAC to determine the current status of the project and provide recommendations to ensure success. Thirty-four recommendations to improve the project performance and likelihood of success were received by the ministry sponsoring the project. As a result of the health check, the ministry has made significant changes to program and project management controls and the project governance structure.
- Developed and published the second IMAC Annual Report, outlining the performance and health of all IT projects in the major IT project portfolio.
- Began planning and establishing a Competency Centre to service Application Management Services ministry groups in supporting their business applications. The director of the Centre provides guidance and leadership, working with all teams and branches within the ITO to develop recommendations on the people, processes and technologies to meet the ministries' business requirements.
- Increased the time Application Management Services directors work directly with customers by approximately

(continued)

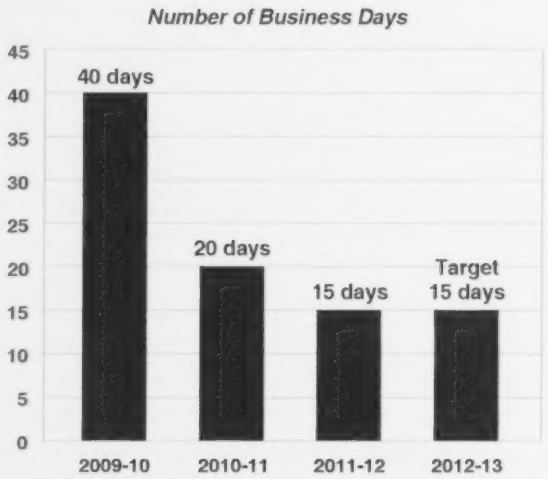
Progress in 2011-12

20 per cent, enabling them to better understand the business needs and challenges of customer organizations.

- Managed work of the Saskatchewan Geospatial Imagery Collaborative and its 30 organization partners. Due to the success of the previous program and value of the product to members, the imagery acquisition program was renewed for 2012-2016. Usage of the online access system developed for all partners and the public to access the imagery at www.flysask.ca is now approaching two million hits per month, as well as serving the needs of its key partners, the project is assisting private companies working in the resource, agriculture, real estate and other economic sectors to generate activity and growth.
- Produced a new five-year geomatics strategic plan in conjunction with the inter-agency Geomatics Council which is comprised of Assistant Deputy Ministers. The Geomatics Council provides strategic direction to ministries and agencies developing geomatics information systems to ensure enterprise considerations are taken into account for standardization, transferability, broad access and efficiency. The goals of the plan are aligned with the overall government direction.
- Implemented an enterprise geomatics information system project to consolidate and standardize all government geospatial data to a master database for easier access, use and maintenance by all ministries. Phase one was completed in 2011-12 and phase two is scheduled for completion in 2012-13. This will enable better integration of geospatial data with other key government initiatives.

Performance Measure & Results

Request for Proposal (RFP) Turnaround Time



Source: ITO Internal Data

This measure supports the ITO's strategy to improve the efficiency of its programs and services, as well as the strategy to work in partnership with the private sector to provide reliable and innovative IT services. Simplification and elimination of administrative processes allows customer ministries to obtain necessary resources and to commence projects in a timely manner. Subsequently, citizens receive the benefits associated with projects faster.

A baseline of 40 working days to complete the RFP process was established in 2009-10. Using Lean principles, the target has been exceeded during the past two fiscal years. As a result of the Lean initiative a new baseline of 15 days has been established. Improvements will continue to be implemented to ensure sustainment of the 2011-12 results.

(Minister's 2010 Mandate Letter)

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Progress in 2011-12

Paper Consumption and Printing Costs

Targets will be established upon completion of the print strategy

This measure supports the ITO's goal to revamp the government's print environment to achieve cost savings, improve service, and reduce the government's environmental footprint. When fully implemented the strategy will include targets for monitoring the success of efforts to reduce costs and paper consumption. A managed print strategy will achieve these objectives by:

- Consolidating print services;
- Making more efficient use of the number and type of printing devices required;
- Using the government's consolidated buying power to reduce hardware and maintenance costs; and
- Being more environmentally responsible by reducing the amount of paper and other materials required for printing.

Development of a managed Print Project strategy began in 2011-12 in consultation with the private sector to help guide implementation. While the initial goal in the reporting year was to issue a Request for Qualifications (RFQ) seeking a vendor to implement the initiative, it was decided the large scope of the project required further consultation with industry before an RFQ could be issued.

(Minister's 2010 Mandate Letter)

Application Development and Support

Utilization Hours

	Fiscal Year		
	2009-10	*2010-11*	*2011-12*
Support	40,129	41,325	56,504
Enhancements	46,017	46,465	58,181
Project	29,993	33,957	45,762
Total Hours	116,139	121,747	160,447

Source: ITO Internal Data

This table outlines the number of person hours the Application Management Services branch spent on various projects, including initiatives focusing on the development and improvement of government applications. Applications are the computer programs that provide services to the public or enable all government employees to do their jobs. Overall, utilization showed an increase of 32 per cent in 2011-12 over the previous year for support, enhancement and project services.

This demonstrates the time and effort spent on improving IT-based services provided to the citizens of Saskatchewan, or applications critical to the ability of government ministries to provide their services to the public.

2011-12 Financial Overview

The ITO's 2011-12 expense budget was $16.374 million.

The appropriation was $19.704 million and ITO expended $24.280 million. This was $4.576 million more than the appropriation.

The ITO's total 2011-12 expenses were $20.811 million, which is $4.437 million above the $16.374 million expense budget. The expense number excludes capital acquisition and includes amortization. The recovery of amortization is treated as a statutory adjustment and reduced the ITO's actual appropriation.

The budget variance is a result of Special Warrant funding received for a new enterprise license software agreement, which is partially offset by lower than expected in-year cost for capital projects.

The ITO recovered revenues of $271,773 related to the prior year's expense refunds, $1,599 related to a loss on other miscellaneous transactions, and $14,331 in casual revenues.

The ITO expensed $2.115 million related to providing IT services to the following external government agencies. These expenses were offset by an equivalent recovery from these agencies:

- Saskatchewan Grain Car Corporation
- Saskatchewan Municipal Board
- Saskatchewan Housing Corporation
- Saskatchewan Apprenticeship and Trade Certification Commission
- Saskatchewan Legal Aid Commission
- Public Guardian and Trustee of Saskatchewan

The ITO budget included 280.3 full-time equivalent (FTE) positions.

2011-12 Financial Overview

The following table outlines information on actual and budgeted expenditures by subvote and subprogram. Variance explanations are provided for all variances that are greater than $50,000.

	(in thousands of dollars)				
Program	**2010-11 Actual**	**2011-12 Budget[1]**	**2011-12 Actual**	**2011-12 Variance**	Notes
Central Management and Services					
Executive Management	927	852	576	(276)	[2]
Central Services	1,593	995	1,090	96	[3]
Accommodation Services	338	208	377	169	[4]
Minister's Salary (Statutory)	40	45	45	–	
Subvote Total	**2,898**	**2,100**	**2,089**	**(11)**	
IT Coordination and Transformation Initiatives					
Information Technology Coordination	3,785	3,929	9,437	5,508	[5]
Office of Geomatics Coordination	110	120	200	80	[6]
Information Technology Transformation	466	311	–	(311)	[7]
Service Transformation	332	600	379	(221)	[8]
Subvote Total	**4,693**	**4,960**	**10,016**	**5,056**	
Application Administration and Support					
Application Support	7,091	6,562	6,982	420	[9]
Supply Chain Management	1,996	2,332	1,902	(430)	[10]
Subvote Total	**9,087**	**8,894**	**8,884**	**(10)**	
Major Capital Asset Acquisitions	**1,574**	**3,750**	**3,291**	**(459)**	[11]
Total Appropriation	**18,272**	**19,704**	**24,280**	**4,576**	
Capital Acquisitions	(1,574)	(3,750)	(3,291)	459	
Amoritization – Office & IT	118	840	242	(598)	[12]
Amoritization – Allocated	0	(420)	(420)	–	
Total Expense	**16,816**	**16,374**	**20,811**	**4,437**	

Explanation of Major Variances:

[1] 2011-12 Estimates as tabled with the Provincial Budget.

[2] The decreased costs are related to vacancy management and other miscellaneous savings.

[3] The increased costs are related to IT projects and services.

[4] The increased costs are related to improvements made to ITO office buildings that were under the capitalization threshold.

(5) The increased costs are related to a new enterprise licensing software agreement.

(6) The increased costs are related to increased salary expenses.

(7)(8) Decreased costs used to offset pressures in Information Technology Coordination.

(9) The increased costs are related to increased support needed for numerous out-dated applications.

(10) The decreased costs are used to offset pressures in Applications Support.

(11) Lower than expected cost of capital projects.

(12) Variance is due to projects not being completed in the fiscal year so assets could not be amortized.

Net Zero IT Operations

Under its mandate to provide IT services to executive government ministries and agencies, the ITO charges its customers for services on a cost-recovery, break-even basis. The ITO does not receive any funding in its core budget to provide these services. The following table outlines the cost-recovery financials for the IT services provided to ministries and agencies.

	(in thousands of dollars)			
Program	**2010-11 Actual**	**2011-12 Budget(1)**	**2011-12 Actual**	**2011-12 Variance**
Inter-ministerial Services				
Expense	306	0	169	169
Appropriation	(176)	0	(242)	(242)

(1) ITO over-recovered by $73,000.

For More Information

If you have any questions or comments, or would like additional copies of the 2011-12 ITO Annual Report, we invite you to call (306) 787-8880 or contact:

Information Technology Office
Corporate Services Branch
8th Floor, 2101 Scarth Street
Regina, Saskatchewan
S4P 2H9

Or, send us an e-mail through the Information Technology Office website at **www.cs.gov.sk.ca**.

Appendix A

ITO Service Delivery Customers

As the major supplier of IT services to executive government, the ITO supplies a full-spectrum of services to 31 executive government ministries and agencies.

Ministries (20)

Advanced Education, Employment and Immigration
Agriculture
Corrections, Public Safety and Policing
Education
Energy and Resources
Environment
Executive Council
Finance
First Nations and Métis Relations
Government Services
Health
Highways and Infrastructure
Information Technology Office
Justice and Attorney General
Labour Relations and Workplace Safety
Municipal Affairs
Office of the Provincial Secretary
Public Service Commission
Social Services
Tourism, Parks, Culture and Sport

Agencies (11)

Enterprise Saskatchewan
Global Transportation Hub Authority
Office of the Provincial Capital Commission
Physician Recruitment Agency of Saskatchewan
Saskatchewan Apprenticeship and Trade Certification Commission
Saskatchewan Financial Services Corporation
Saskatchewan Grain Car Corporation
Saskatchewan Housing Corporation
Saskatchewan Legal Aid Commission
Saskatchewan Municipal Board
Technical Safety Authority

Appendix B

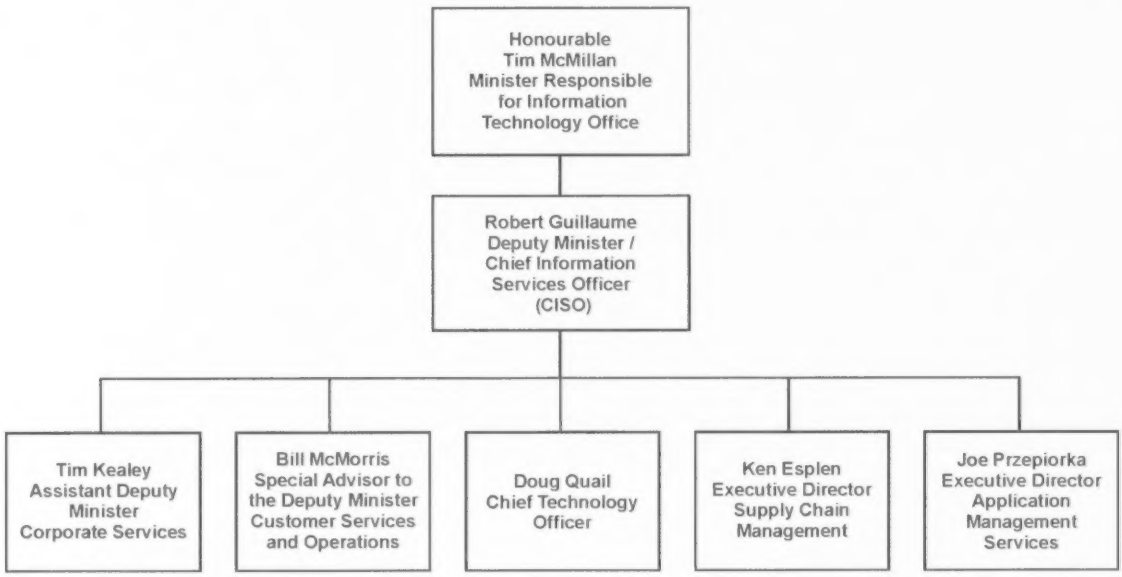
ITO Acts and Regulations

The Minister Responsible for Information Technology Office is responsible for the following acts and regulations:

- *The Economic and Co-operative Development Act, 2006*, Sections 8(c) and 9(1)(h)
- *The Information Technology Office Regulations, 2007*
- *The Information Technology Office Service Regulations*
- *The Canadian Information Processing Society of Saskatchewan Act, 2005*

Appendix C

ITO Organizational Chart*



* This organizational chart reflects the Information Technology Office (ITO) reporting structure that was in place on March 31, 2012. As the result of Government reorganization following the end of fiscal year 2011-12, the ITO is now part of the Ministry of Central Services, under the direction of Deputy Minister Ron Dedman. Robert Guillaume is the Associate Deputy Minister and Chief Information Services Officer (CISO), and the Honourable Nancy Heppner is the Minister Responsible for Information Technology Office.